

STATE BOARD TO REVIEW CLAIMS

MEETING OF AUGUST 16, 1996  
Reno, Nevada

ITEM: V.C.

SUBJECT: Resolution to adopt State of Nevada Petroleum  
Fund CEM Cost Guidelines

DISCUSSION: The Nevada Division of Environmental Protection (NDEP) evaluates the cost effectiveness of proposed Certified Environmental Manager (CEM) costs for projects receiving reimbursement from the State of Nevada Petroleum Reimbursement Fund. Proposed costs are summarized by CEMs in Not-to-Exceed Cost Proposals (NTEPs).

The NDEP has formulated State of Nevada Petroleum Fund CEM Cost Guidelines. The guidelines are designed to facilitate cost effectiveness, streamline NTEP preparation and evaluation, and form a basis for NTEP review consistency. The recommendations made in the document may be adjusted by the Board at it's discretion based upon the facts of each case, pursuant to NRS 590.830.

Comments from the consulting and regulated communities were solicited throughout the latter stages of document preparation, beginning in April, 1996. Comments were received from telephone conferences and scheduled meetings. Several comments received from the consulting and regulated community were integrated into the document.

During the May 23, 1996 Board meeting in Las Vegas, Nevada, the NDEP presented the Board with an update regarding the Cost Guidelines. It was proposed at that time to table a request for it's adoption pending additional review and comments. Additional comments were received from the consulting and regulated communities. Additionally, the NDEP requested review from the Nevada State Board of Professional Engineers regarding the Cost Guideline's impact on the professional engineering arena. Comments have

been responded to in the attached report.

RECOMMENDATION: Adoption of Resolution No. 96-016 as proposed.

ATTACHMENT: Response to Comments

STATE BOARD TO REVIEW CLAIMS

RESOLUTION NO. 96-016

Resolution to Adopt State of Nevada  
Petroleum Fund CEM Cost Guidelines

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Whereas, the State Board to Review Claims (hereinafter referred to as the Board) Finds:

1. Proposed reimbursable Certified Environmental Manager (CEM) costs are submitted to the Nevada Division of Environmental Protection (NDEP) prior to claim submittal in the form of Not-to-Exceed Cost Proposals (NTEPs) for evaluation of project cost effectiveness.
2. NDEP staff has, in the past, evaluated NTEPs on a case-by-case basis without utilizing an established written policy. NTEP review, therefore, was inconsistent.
3. The NDEP has prepared a guideline document to be utilized during NTEP preparation and review. This document will be utilized to standardize CEM expenditures for many phases of typical assessment/remediation projects, facilitating cost effectiveness. The document will also streamline NTEP preparation and evaluation, and form a basis for NTEP review consistency.
4. Attachment "A", which is made a part of this resolution, contains a State of Nevada Petroleum Fund CEM Cost Guidelines document.
5. NRS 590.830(1) requires the Board to "...review each claim presented and authorize payment to the extent warranted by the facts of the case." Adoption of the CEM Cost Guidelines contained in Attachment "A" will allow NDEP staff to perform consistent review of NTEPs for cost effectiveness, and provide the Board with appropriate reimbursement recommendations. The Board will retain the latitude to individually consider each reimbursement request.

THEREFORE BE IT RESOLVED

That the State Board to Review Claims directs the NDEP to administer reimbursement requests in the following manner:

1. That the NDEP makes the CEM Cost Guidelines contained in Attachment "A" accessible to the public to facilitate consistent NTEP preparation by CEMs.
2. That the NDEP staff apply the CEM Cost Guidelines contained in Attachment "A" when evaluating all outstanding unreviewed NTEPs received on or after October 1, 1996.
3. That the Board reserves the right to adjust each NDEP staff reimbursement recommendation based upon the facts of each case, pursuant to NRS 590.830(1).

I, John Haycock, Chairman, do hereby certify that the foregoing is a full, true, and correct copy of a Resolution adopted by the Nevada State Board to Review Claims on August 16, 1996.

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John Haycock, Chairman  
State Board to Review Claims